

# Central Intelligence Bulletin

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FRANCE-USSR: Paris sees Brezhnev's three-day stopover in France next week on his return from the US as a useful reminder to its allies on both sides of the Atlantic that its ties with Moscow are firm.

The French say that Pompidou's talks with Brezhnev will concentrate on European matters, that the two leaders will compare notes on their talks with President Nixon, and that US and Soviet relations with the EC will be a major subject. They are likely to discuss their respective positions at the Conference on Security and Cooperation in Europe, scheduled to open on 3 July. If Brezhnev tries to draw the French into some commitment on the talks on mutual and balanced force reductions, however, as he did during Pompidou's visit to the USSR in January, he will again be rebuffed.

Paris welcomes the visit as a reaffirmation of France's "special" relationship with the USSR, and as an indirect reminder to the Germans that this relationship predates Ostpolitik. This will be the fourth Franco-Soviet summit in less than three years -- a record unmatched by any of France's allies. The French press has been playing the Brezhnev visit as a success for Pompidou, who will have met with the leaders of the UK, West Germany, the US, and the USSR within a four-week period. Elysee sources will probably also exploit the addition of Brezhnev to Pompidou's already heavy official schedule to try again to quash rumors that the President is seriously ill.

From the Soviet standpoint, the stopover offers an opportunity to show Brezhnev's interest in improving Soviet - West European relations and to show that Moscow's interest in Western Europe is not diminished by superpower summitry. Brezhnev may also wish to counter warnings against good relations with the USSR made by the Chinese foreign minister during his recent visit to London and Paris. The visit by Brezhnev evidently was agreed upon only a few days ago.

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WESTERN HEMISPHERE: Consultations on the reorganization of the OAS begin today in Lima with the underlying objective of reducing US influence in that group.

The desire for change originates with a nationalistic group of countries that increasingly is challenging US influence in the OAS and its specialized agencies. Peru, the most energetic advocate of change, is joined on most issues by Venezuela, Ecuador, and Panama, and by the six other countries -- Argentina, Chile, Mexico, Jamaica, Barbados, and Trinidad and Tobago -- that defied the sanctions to maintain or establish relations with Cuba.

This grouping wants to move at least some parts of the organization out of Washington, change its structure, and reduce US influence over development loans from multilateral agencies. is also sentiment for moving toward abrogating the collective security arrangements of the Rio Treaty. Opposition to the treaty centers on a belief that the external threat to hemisphere security has diminished since the treaty was drafted in the late 1940s.

Most of these countries also agree that the OAS sanctions against Cuba are anachronistic and that members ought to be free to re-establish relations with the Castro government if they wish. The present meeting is not empowered to vote on that issue, but some indirect test of strength on it seems likely. At least four countries appear to be wavering in their support of the sanctions,

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The advocates of extensive change are likely to fall short of getting agreement on any major overhaul of the 23-member inter-American system. They are handicapped by the absence of specific proposals and by the requirement for a two-thirds vote on most substantive issues. They could win an important symbolic victory, nevertheless, if a majority sentiment emerges in favor of Cuba. In that event, Venezuela and perhaps other countries would be likely to go ahead quickly with recognition, and the movement to limit US influence in the OAS would gain added momentum.

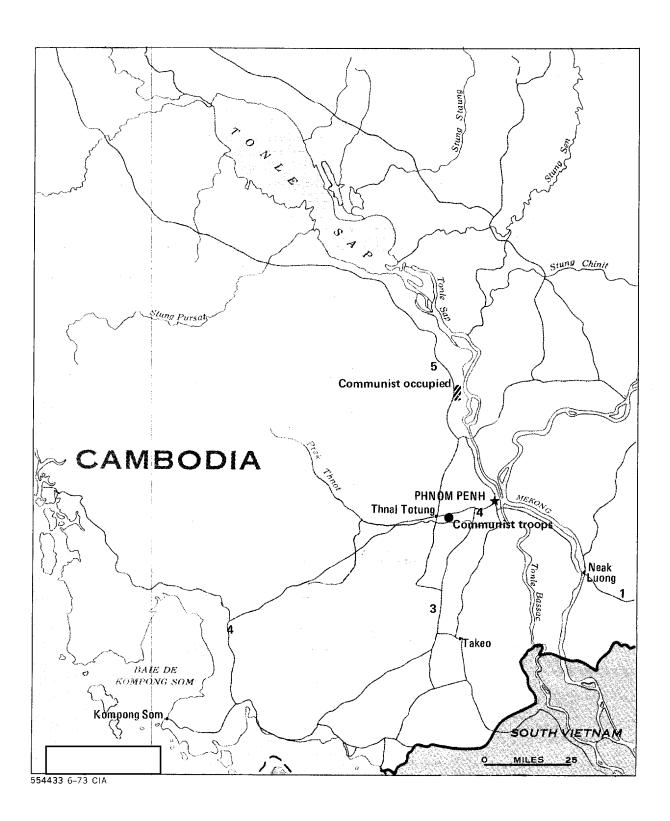
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CAMBODIA: Communist military pressure against key highways is contributing to the prospect of another rice crisis in Phnom Penh.

In the past few days, Khmer Communist attacks have forced local government troops to abandon a number of positions along Route 5, Phnom Penh's only overland access route to the rice-rich north-west. The Communists now control a six-mile stretch of the road some 45 miles north of the capital. Government units from Phnom Penh that cleared the highway early last week have returned to the city, and it will take some time to reassemble them for another clearing operation.

In the southwest, other Communist forces are still within striking range of sections of Route 4, over which Phnom Penh obtains rice and other supplies from the country's only seaport at Kompong Som. No truck convoys have moved over that highway since 6 June, when the Communists interdicted a short section about 15 miles from Phnom Penh. The government, however, hopes to resume convoys on Route 4 later this week.

Unless the Cambodian Army can quickly reopen Route 5 and maintain security along that highway and along Route 4, Phnom Penh's rice stocks will reach dangerously low levels by the end of this month. Unusually high amounts of rice have been distributed in the capital throughout much of this year, and there are now only 8,000 tons of rice available in government warehouses. The precariousness of the supply situation could lead to public disorders similar to those that occurred in Phnom Penh last September.

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SOUTH VIETNAM: President Thieu seems likely soon to gain firm control over the Senate, the only official body in which his non-Communist opponents now have considerable strength, when 31 of the 60 upper house seats come up for election next August.

Voters will elect two slates of Senate candidates from among the four slates currently in the race. Two of the lists are composed of members of Thieu's Democracy Party and other well known progovernment personalities. The other slates contain little-known individuals whose political orientation is not entirely clear. Some opposition figures are charging that they represent no more than a government-contrived facade of competition.

The country's main independent and opposition groups are sitting out the election. Some were convinced that they had no chance against Thieu's well-organized political machinery, and others were unable to agree on slates in time to meet the short filing deadline last weekend.

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ARGENTINA: If Juan Peron returns as scheduled to Buenos Aires today, he is likely to become immediately embroiled in problems and division affecting the Campora government and the Peronist movement.

President Hector Campora traveled to Madrid last week to escort Peron back to a mass welcome that will officially end 18 years of exile for the former dictator. While Campora was in Madrid, however, some substance was given to earlier reports of growing strain between the President and his political mentor. Peron's failure to attend any official functions with Campora gave rise to press speculation on frictions between the two as well as

to rumors that Peron was in ill health.

Peron may indeed find it difficult to change the habits formed over the years in which he undercut and then forced out of the movement any Peronist who seemed to be in a position to rival him for leadership. On the other hand, Peron may merely be piqued over Campora's clumsy handling of such problems as terrorism and divisions between moderate Peronist labor leaders and the radical Peronist Youth wing.

In any event, Peronist and anti-Peronist alike are hoping that Peron will take a firm stand against terrorism and that his presence will put an end to the disturbances caused by the occupations of various government agencies by young Peronists. Peron is known to believe that the wave of kidnappings and extortion attempts aimed at foreign businessmen is hurting the climate for foreign investment that he is counting on to help Argentina out of its economic slump. The kidnapping on Monday of the general manager of the Firestone Rubber Company will make the matter of terrorism even more urgent.

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